

Joint Leadership Council of Veterans Service Organizations
Meeting Minutes
September 6, 2017

DRAFT

A meeting of the Joint Leadership Council of Veterans Service Organizations (the JLC) was held on September 6, 2017, at the American Legion, 1708 Commonwealth Ave., Richmond.

Members Present

- Harold Barton, Air Force Association
- Rick Oertel, American Legion
- Richard Mansfield, AMVETS
- Robert Sempek, Association of the United States Army
- Ken Shelton, Fifth Baptist Veterans' Ministry
- William Ashton, Fleet Reserve Association
- Tim Whitmore, Korean War Veterans Association
- Robert Herbert, Legion of Valor
- John Clickener, Marine Corps League
- Frank Wickersham, Military Officers Association of America (MOAA)
- Jim Cuthbertson, Military Order of the Purple Heart
- Dan Dennison, National Association for Uniformed Services
- Karen Jeffries, Navy Mutual Aid Association
- David Sitler, Reserve Officers Association
- Perry Taylor, Roanoke Valley Veterans Council
- Dan Boyer, Veterans of Foreign Wars
- Charles Montgomery, Vietnam Veterans of America
- Marie Juliano, Women Marines Association
- Jim Icenhour, Chairman, Board of Veterans Services
- Richard Schollmann, Chairman, Veterans Services Foundation
- Commissioner John L. Newby II, Department of Veterans Services (DVS)

Alternate Members Present (representing their VSO)

- Dan Miller, Disabled American Veterans
- William Townsley, Military Order of the World Wars
- Robert Barnette, Virginia Army/Air National Guard Enlisted Association
- Mike Anliker, Virginia National Guard Association

Members Absent

- Lauren Augustine, Iraq & Afghanistan Veterans of America (IAVA)
- Glenn Rodriguez, Navy Seabee Veterans of America
- Jon Ostrowski, Non Commissioned Officers Association
- Raymond Kenney, Paralyzed Veterans of America

Alternate Members Present (not representing their VSO)

- Thomas Wozniak, Air Force Association
- Dale Chapman, American Legion
- John Cooper, AMVETS
- Allen Garrant, Fleet Reserve Association
- Craig Cressman, Navy Mutual Aid Association

Commonwealth of Virginia Officials Present

- Secretary of Veterans and Defense Affairs Carlos Hopkins
- Deputy Secretary of Veterans and Defense Affairs Jaime Areizaga-Soto
- Rushawna Senior, Office of the Secretary of Veterans and Defense Affairs
- Mike Colman, Office of the Secretary of Veterans and Defense Affairs
- Delegate Rich Anderson
- Tommy Herbert, Office of Delegate Rich Anderson
- Rebecca Chambliss, Office of Delegate Jason Miyares
- Steven Combs, DVS
- Carrie Ann Alford, DVS
- Dan Kemano, DVS
- Scott Miller, DVS
- Glendalynn Glover, DVS
- Jgiann Page, DVS
- Karla Boughey, Veterans Services Foundation
- Christina Barrille, Virginia National Guard
- Mike Hayden, Virginia Department of Corrections

Others Present

- Eugene Skinner, U.S. Department of Veterans Affairs
- Maggie Wickersham, MOAA
- Brandon Hughes, MOAA/IAVA
- Joe Syslo, MOAA
- Jim Pauls, MOAA
- Trish Capps, MOAA
- Jay Marts, AMVETS
- Curtis Jennings, Disabled American Veterans
- Steven Botello, American Legion
- Samuel Holliday, College of William & Mary
- Katherine Mitchell, WCVB (PBS)
- B. Gray, American Legion
- C. Claus, American Legion
- Linda Hardwick, American Legion
- Teresa Rijkten, American Legion
- Erica Eccleston, American Legion

Items included in the Agenda Packet

Agenda

New Membership Matrix

May 31, 2017 meeting minutes (Agenda Item IV)

Reports (Agenda Item V)

- Board of Veterans Services
- Veterans Services Foundation

Handout “Fiscal Impact Analysis of Exempting Military Retiree Pensions from State Income Tax” for Presentation by Mike Coleman (Agenda Item VII)

Additional Proposed Position Papers for 2018 JLC Initiatives (Agenda Item VIIa)

Proposed Position Papers voted on May 31 for 2018 JLC Initiatives (Agenda Item VIIa)

The meeting agenda is included as *Attachment 1*.

Opening, Pledge of Allegiance, Invocation

Chairman Harold “Bart” Barton, called the meeting to order at 10:00 a.m., and led the Council in the Pledge of Allegiance.

Chaplain L. T. “Tim” Whitmore delivered an opening prayer.

Chairman Barton then announced the Governor had appointed Ms. Karen Jeffries of the Navy Mutual Aid Association to the Joint Leadership Council, bringing the number of member organizations to 26. He presented Ms. Jeffries her certificate from the Governor and welcomed her to the JLC. The members greeted her with a round of applause.

Approval of the Agenda

Chairman Barton opened the meeting by requesting the agenda be adjusted due to the presence of Carlos Hopkins, Secretary of Veterans and Defense Affairs. He made a **motion, seconded** by Dan Boyer, to move VIII.a “Introduction of additional initiatives; Review and discuss all proposed 2018 JLC Initiatives, under New Business up between agenda items IV. and V., and additionally change the order of the two presentations so Mr. Mike Coleman presents first and DVS Cemeteries Director Dan Kemano presents second. The motion carried **unanimously**.

Chairman Barton made a **motion, seconded** by Bill Ashton, to approve the adjusted agenda (*Attachment 1*). The motion carried **unanimously**.

Roll Call of VSOs, Quorum Determination, and Introduction of New VSO, Guests

The roll was called, and 22 of the 26 Veterans Service Organizations (VSOs) represented on the Joint Leadership Council of Veterans Service Organizations (the JLC) were recorded as being represented. A quorum was determined. Mr. Jim Icenhour, Chairman of the Board of Veterans Services (BVS); Mr. Rich Schollmann, Chairman of the Veterans Services Foundation (VSF); and DVS Commissioner John L. Newby II were recorded as present.

Chairman Barton asked Ms. Alford to introduce the guests. The names and organizations of the guests are recorded above. Chairman Barton welcomed them to the meeting.

Approve May 31, 2017 Meeting Minutes

Mr. Steve Herbert made a **motion, seconded** by Mr. John Clickener, to approve the minutes of the May 31, 2017 meeting. The motion carried **unanimously**.

Reports

Board of Veterans Services

Board of Veterans Services (BVS) Chairman Jim Icenhour gave the BVS report.
(Attachment 2)

Veterans Services Foundation

Veterans Services Foundation (VSF) Chairman Rich Schollmann gave the VSF report.
(Attachment 3)

Virginia Military Advisory Council

In Mr. Bill Barrett's absence there was no report from the Virginia Military Advisory Council.

State Board of Elections

Mr. Frank Wickersham updated the JLC that there was no new report and they are holding off until after Election Day with contacting SBE.

Virginia War Memorial Board

Marie Juliano stated that there was no new report from the Virginia War Memorial Board, however their next meeting will be September 15th.

Hampton Drug Court Veterans Tract Advisory Council

Mr. Rich Mansfield reported that there are 3 participants currently in the program and discussion at the meeting centered around the Committee's interest in separating the Veteran's Track from the current Drug Court docket and establishing it as a stand alone docket. Judge Taylor will be submitting evidence of Committee/Community Support to the Chief Justice of the State Supreme Court to establish this separate docket. Judge Taylor announced his retirement as of November 30, but indicated that he will be returning to the bench for limited duties starting March 1, 2018 after taking the required 90 day break in service. In the meantime, Judges Hutton and Jones will preside over the Veteran's Track.

Discussion among the JLC members included a suggestion that the JLC request more funds for VVFS for criminal justice and veterans treatment docket programs and to help solve the issue of the lack of publicity for the program.

Chairman Barton stated that the Community Services Boards (CSBs) in Hampton Roads are hiring case workers to assist with the veterans treatment dockets.

There was discussion on the focus of the veteran treatment dockets and why they are in the drug court in Hampton. Ms. Alford stated that Hampton was unique and since it was the first created it was placed in the Drug Court, however all other veterans treatment dockets created in Virginia have been and will be through the General District Court and this will not be an issue moving forward.

Fairfax Veterans Treatment Docket

Mr. Dan Dennison reported that the Fairfax veteran treatment docket is looking for veterans to be mentors in their program and encouraged the JLC members to take the request back to their organizations.

Veterans Care Centers

Mr. Dan Dennison reported that there will be a public forum for the Puller Veterans Care Center on September 12 in Springfield.

Ms. Alford stated that she had a copy of the invitation and would distribute to the JLC with the post-meeting materials.

Report from DVS Commissioner John Newby

Commissioner Newby gave a brief update on upcoming DVS events including September 20th 10th Anniversary event at Sitter & Barfoot VCC, October 5th grand opening of the Williamsburg DVS office on the campus of William & Mary, the November 17th Dominion PGA Golf tournament to benefit V3 and the groundbreaking ceremonies for the two new care centers: Oct. 26th at 1p at the site of the Puller VCC in Vint Hill, Fauquier County; and Nov. 1 at 1p at the site of the Jones & Cabacoy VCC in Virginia Beach. The Governor will attend both ceremonies.

He introduced Secretary Hopkins again and stated that they would be traveling around visiting offices together in the next few months and that they were currently working together on the DVS legislative and budget package. Commissioner Newby stated that looks forward to working with Secretary Hopkins.

Commissioner Newby concluded his remarks by stating that because it was Chairman Barton's last meeting as Chair, he wanted to present him with a plaque from DVS, recognizing his service to the JLC and Commonwealth of Virginia upon the conclusion of his time as Chairman. The members gave Chairman Barton a round of applause of appreciation.

Introduction of Additional Initiatives; Review and Discuss All Proposed 2018 JLC Initiatives

Mr. David Sitler, Legislative Officer, reviewed the initiatives proposed for 2018 and presented at the May 31 meeting. The position papers were included in the agenda packet for review and reference (*Attachment 4*).

Each sponsor stood and reviewed their policy initiative. Technical edits that did not affect the policy were made to two of the policy papers. No questions were asked of any of the sponsors.

There were two proposals submitted after the May 31 meeting. The first was submitted by DVS and was explained by Ms. Alford. It requests JLC support for their request to the Secretary and Governor for a Director of Veteran Entrepreneurship to coordinate state efforts, connect veterans to resources and gather data. The position is a recommendation of the Board of Veterans Services.

The second proposal was submitted by MOAA and was explained by Mr. Frank Wickersham. It requests a new, dedicated loan program, referred to in the initiative as the Veteran Entrepreneur Capital Resources Program (VECRP). It would direct the Virginia Small Business Financing Authority, within the Virginia Department of Small Business and Supplier Diversity (SBSD) to create a microloan program for veteran entrepreneurs.

Mr. John Clickener stated that when he worked on these types of programs with the VA access to SBA backed loans and other forms of capital was often very difficult for veterans to obtain and he agreed it was a good idea.

Mr. Rich Mansfield made a motion to merge the two entrepreneurship initiatives into one. Mr. Jim Cuthbertson made a friendly amendment to modify the motion to have MOAA and DVS work on writing a new paper. Mr. Mansfield agreed to the friendly amendment and amended his **motion, seconded** by Mr. John Clickener, to direct MOAA and DVS to work on combining the two initiatives into one supporting veteran entrepreneurship and loan programs.

Chairman Barton asked Commissioner Newby for his opinion. Commissioner Newby stated that he had no opinion and if it was the will of the JLC to combine the two into one, DVS would work with them on that.

Ms. Alford stated that she would work equally hard on one or two initiatives but reminded the JLC members that they were creating one initiative directing three separate and distinct agencies of the Commonwealth – DVS, SBSD and the VSF to work together on the program and she would have to obtain “buy in” from the other agencies for the initiative to move forward.

Chairman Barton asked Delegate Anderson for his opinion as a member of the House Appropriations Committee.

Delegate Anderson stated that while things were turning around, it would likely be another difficult budget situation before the General Assembly in 2018. And while there is wide and deep support for veterans in the legislature, programs and initiatives with large fiscal impacts without any foreseeable offsets or solutions would face rough going in the money committees and likely will not be approved.

The vote was called and the motion passed **unanimously**.

Presentation from Mike Coleman

Mr. Mike Coleman, Military Liaison to the Secretary of Veterans and Defense Affairs, gave a summary of a presentation that was given to the Virginia Military Advisory Council (VMAC) at their spring meeting. The Roosevelt Group, which is a consulting firm hired by the Secretary's office, reviewed the issue of exempting military retiree pensions from state income tax.

A handout was included in the members' agenda packets and was distributed via email after the meeting for distribution to the VSOs.

The assessment of the Roosevelt Group is that Virginia's retiree population is currently growing at 1.33% despite having no tax exemption advantages while other states are seeing stagnation or decline in their retiree population numbers. This includes outpacing Florida and being on par with Texas, both of which have no income tax. The consultants assessed the financial situation and current population of military retirees in Virginia and concluded it would take Virginia 32 years to recoup the lost revenue. Despite what retirees say, they are not choosing to move to other states based on tax exemptions.

Mr. Bill Ashton stated that 30 states do something – a partial benefit/exemption and asked if the consultants looked at partial or just full exemption. Mr. Coleman stated they looked at general tax exemptions.

Mr. Ashton asked about his VSO's policy paper on a partial tax exemption and why it was not included in the current list of policy initiatives. Chairman Barton stated that it was withdrawn before the May 31 meeting and not presented.

Ms. Karen Jeffries stated that perception is reality and that veterans she knows and works with are thinking about taxes when thinking of where to live and many are concerned.

The court case with the Virginia State Police was discussed and how that spectre will come up again with any effort to exempt military retiree pay.

Mr. Ashton made a **motion, seconded** by Ms. Karen Jeffries, to have his policy paper be reconsidered. The motion carried **unanimously**. Mr. Ashton handed Chairman Barton a copy of the initiative and Ms. Alford made copies for distribution. It was discussed as part of the adoption and prioritization of 2018 JLC initiatives section of the meeting (VIIIb.)

Presentation from Dan Kemano, DVS Cemeteries Director

Mr. Dan Kemano gave a presentation on the administration and operations of the three Virginia Veterans Cemeteries. The presentation was distributed to the members after the meeting via e-mail and is available from DVS upon request.

New Business

Adopt and Prioritize 2018 JLC initiatives

Mr. Dave Sitler wrote down all the initiatives on a board and then numbered them in the priority rankings he believed they should be in:

Temporary#	Initiative	Priority#
1	Constitutional Amendment, 2 nd Resolution	1
2	Disabled Vet Retiree Pay	4
3	Guard Pay Subtraction	6
4	Guard Education Benefit	7
5	VMSDEP requirement	5
6	Electronic Ballot Return	2
7	Veteran Entrepreneurship	3
8	Partial Military Retiree Pay Exemption	8

Mr. Bill Townsley made a **motion, seconded** by Mr. Wickersham, to accept the priority rankings as listed.

Chairman Barton asked for discussion. He started by stating that there was a natural progression to JLC initiatives. The constitutional amendment on second resolution should be number one to show strong support and because it should pass without issues. He also stated that the new initiative for military retiree pay exemption should be eighth because this will be the first session the legislature sees the initiative and it will take time. The electronic ballot return initiative has been gaining support and should be much higher to show the legislators that the JLC still believes this is a serious priority that deserves attention and to be passed.

Mr. Bill Townsley expressed concern that initiatives that had been on the list for three or four years needed adjustment or to be taken off the list. He asked where things were with two of the long standing initiatives – VMSDEP and Guard Pay Subtraction.

Ms. Alford stated that she was working with VaA/ANGEA and VNGA on the Guard Pay Subtraction policy initiative and had worked with them on a list of new potential patrons to approach and seek out guidance from veterans in the legislature. The sponsors are working with Delegate Hugo, who is not only a veteran but the chair of the subcommittee this initiative keeps dying in each year. He agreed to look at it and try to find a way to improve it and lessen the fiscal impact to improve its chances of passage.

Chairman Barton mentioned that the VMSDEP initiative has a large fiscal impact and as Delegate Anderson had stated earlier in the meeting, things with large fiscal impacts will have rough going in the legislature but that is not necessarily a reason to take it off the list. The initiative was actually bumped up one slot from last year to show JLC's commitment.

A vote was called and the motion passed **unanimously**.

The initiatives will be renumbered and Ms. Alford will work with all the patrons on any additional, final edits before the December 20 meeting.

Ms. Alford reminded the members that this was only the beginning of the process and especially this year as there will be a new Governor and Lt. Governor, possibly a new Attorney General and new members of the House of Delegates and they needed to make sure after election day to reach out to not only their members of the House and Senate but also to the new members to educate them on the JLC and the priorities they advocate for. She also requested all members in Central Virginia start thinking about how they can be involved during Session – by attending committee hearings, visiting the legislators and advocating for the priorities before and during Session.

Election of New Chair and Vice Chair

Mr. Dan Boyer, Chairman of the Nominations committee read through the “Election of Officers” protocols from the JLC Bylaws and announced that the Candidate for Chair is Marie Juliano and the Candidate for Vice Chair is Frank Wickersham.

Mr. Boyer opened the floor for nominations for Chair. There were none for Chair.

Mr. Boyer opened the floor for nominations for Vice Chair. There were none for Vice Chair.

Mr. Boyer called for a voice vote for Marie Juliano for Chair. The vote was **unanimous**.

Mr. Boyer called for a voice vote for Frank Wickersham for Vice Chair. The vote was **unanimous**.

Mr. Boyer congratulated the new Chair and Vice Chair and the members gave a round of applause.

Other New Business and Open Discussion

Mr. Frank Wickersham made a comment about Mike Hayden who was in attendance at the meeting and how the VSOs should be talking to him and working with him on veteran re-entry post-incarceration.

Mr. Charlie Montgomery informed the members that the Vietnam Veterans of America are coordinating a call in day to Congress on September 11 to tell Congress to support Blue Water Veterans and efforts to assist them.

Ms. Alford again stated she would email the invite for the September 12 Puller VCC Forum in Springfield, and requested all members consider nominations for the appointed officer openings. She also informed the members that two of their own – Lauren Augustine and Frank Wickersham – had been involved in the process to get the new Forever GI Bill through Congress and thanked them for their service on that important issue.

Public Comment

Ms. Katherine Mitchell with the local WCVE PBS station talked about the new PBS Ken Burns documentary on the Vietnam War and stated that she had posters and palm cards for VSOs to take and display or distribute and that DVS would be displaying two posters in their Headquarters offices in Richmond. She requested Ms. Alford forward the electronic version of the flyer for the documentary. Ms. Alford stated that she would send it out with the post meeting email.

Closing Remarks

Chairman Barton reminded the members that the next meeting will be held December 20th at the American Legion building.

Adjournment

Chairman Barton handed Chair Juliano the gavel and congratulated her.

There being no further business before the Council, the meeting adjourned at 1:58 p.m.

ATTACHMENT 1
Joint Leadership Council of Veterans Service Organizations
American Legion Building
1708 Commonwealth Ave., Richmond VA
September 6, 2017
10:00 a.m. – 12:45 p.m.

AMENDED AGENDA

- I. Opening and Pledge of Allegiance – *Bart Barton, JLC Chairman* (10:00 – 10:05)
- II. Chaplain's Corner, Tim Whitmore, *JLC Chaplain* (10:05 – 10:10)
- III. Roll call of VSOs, quorum determination, introduction of new JLC VSO and member representative, and introduction of guests – *Bart Barton, JLC Chairman* (10:10 – 10:20)
- IV. Approval of Agenda and May 31, 2017 meeting minutes – *Bart Barton, JLC Chairman* (10:20 – 10:25)
- V. Introduction of additional initiatives; Review and discuss all proposed 2018 JLC Initiatives, *Dave Sitler*
- VI. Reports (10:25 – 10:55)
 - a. Board of Veterans Services – *Jim Icenhour, BVS Chairman*
 - b. Veterans Services Foundation – *Rich Schollmann, VSF Chairman*
 - c. VMAC, *Bill Barrett*
 - d. State Board of Elections, *Frank Wickersham*
 - e. Virginia War Memorial Board, *Marie Juliano*
 - f. Hampton Drug Court Veterans Tract Advisory Council, *Rich Mansfield*
 - g. Fairfax Veteran Treatment Docket, *Dan Dennison*
 - h. Veteran Care Centers, *Dan Dennison*
 - i. DVS Report, *John Newby, DVS Commissioner*
- VII. Presentation by Mike Coleman, *Military Liaison, Office of the Secretary of Veterans & Defense Affairs* (10:55-11:15)

BREAK (10 Minutes)

- VIII. Update on DVS Cemeteries Section, *Dan Kemano* (11:25 – 11:45)
- IX. New Business (11:45– 12:35)
 - a. Adopt and prioritize 2018 JLC Initiatives, *Dave Sitler*
 - b. Election of New Chair and Vice Chair, *Dan Boyer*
 - c. Other New Business and Open Discussion – *Bart Barton, JLC Chairman*
- X. Public comment period – *Bart Barton, JLC Chairman* (12:35 – 12:40)
- XI. Closing remarks, Announcement of next meeting – *Bart Barton, JLC Chairman* (12:40 – 12:45)
- XII. Adjourn (12:45)

Lunch to follow

ATTACHMENT 2
REPORT TO THE JOINT LEADERSHIP COUNCIL OF VETERANS SERVICE
ORGANIZATIONS (JLC)
September 6, 2017

The Board of Veterans Services (BVS) met on June 22, 2017 at the Virginia War Memorial where we were greeted and given a brief update from Executive Director Clay Mountcastle.

The board presented a special plaque to former BVS Chairman Don Kaiserman who stepped down from the board in 2016. The board also presented special gifts to members Thad Jones and Max Beyer who were stepping down from the board.

We received the final report and recommendation from the Women Veterans Working Group and voted unanimously to approve their recommendation for a new Women Veterans Coordinator position within the Department of Veterans Services. I send a letter to Commissioner Newby with our recommendation, it is enclosed with this report.

The next meeting of the board is November 16, 2017 at the Petersburg Freedom Support Center, 32 W. Washington St., Petersburg, VA.

The BVS is made up of fourteen citizen members, five legislators, and three *ex officio* members. Board members are in regular contact with the Department of Veterans Services to provide policy input on key operational issues.

Respectfully submitted,

Jim Icenhour
Chairman

ATTACHMENT 3

VIRGINIA VETERANS SERVICES FOUNDATION September 6, 2017 REPORT Joint Leadership Council of Veterans Service Organizations

The Veterans Services Foundation (VSF) Board of Trustees has held one meeting since the last JLC meeting on May 31, 2017. VVSF met on August 10, 2017 at the American Legion Department Headquarters in Richmond. This was the first meeting for VVSF since the Foundation became a separate agency on July 1, 2017. Secretary John Harvey attended his "first and last meeting" in his official capacity under the new structure of the organization. As of July 1st the Secretary of Veterans and Defense Affairs become a voting member of the Board of Trustees. However, Secretary Harvey will be leaving as of September 1, 2017 and his successor will now take that position on the Board.

Chairman Rich Schollmann paid tribute to Bill Lechler who passed away a week before the August 10th meeting. Bill served as a trustee on the VVSF Board for 9 years. He was a respected member and played an integral part of the VSF's success and growth. Bill will be missed by many.

Senator Walter Stosch provided a report on his findings regarding the assignment the Chairmen had given him in March. He was asked to visit with state agencies that will oversee various financial matters for VVSF as a separate state agency (913). Senator Stosch recommend - and the Trustees approved - a grant accounting system for all DVS programs supported by VVSF funding, and that the funding from VVSF (Agency 913) to DVS (Agency 912) be transferred on a timeline established by the Trustees. He added that the Fund was established to meet the unmet needs of veterans where state and federal funding are not available. All monies are the property of the Fund and are not to revert to general funds. He spoke of the importance of compliance with state laws and IRS rules to handle charitable donations and the board's fiduciary responsibility to the donors.

As of June 30, 2017 VVSF had received donations totaling \$603,775.97 in FY17. Overall individual donations are down. However, a recent donation of \$68,000.00 from Smithfield Foods and the donation from the Dominion Energy Charity Classic that will be held the weekend of October. 19-22, 2017 at The Country Club of Virginia, James River Course will help substantially in FY18.

Senator Walter Stosch was appointed Finance Chair and Ms. Matice Wright as Finance Vice-Chair. Mr. Frank Finelli was appointed Development Chair and Mr. John Lesinski as Development Vice-Chair.

The next Board meeting is scheduled for November 9, 2017 at the American Legion Department Headquarters, Richmond.

Respectfully submitted,
Rich Schollmann
VVSF Chairman

ATTACHMENT 4

Summary of 2018 JLC Policy Initiatives

As approved September 6, 2017

<i>Initiative</i>	<i>Recommendation</i>
JLC 2018-01 <i>Residency Requirement, Constitutional Amendment, 2nd Resolution</i>	That the 2018 General Assembly pass resolutions identical to the one passed by the 2017 General Assembly (HJ562), thereby continuing the process to amend Virginia's Constitution to provide parity for surviving spouses of 100% disabled veterans and those Killed in Action.
JLC 2018-02 <i>Electronic Return of Voted Ballots by Overseas Military</i>	That the Governor and General Assembly enact legislation and provide budget support of a pilot program for the electronic return of absentee ballots by Virginia's deployed military service members to enfranchise their voting privileges.
JLC 2018-03 <i>Veteran Entrepreneur Capital Resources Program (VECRP)</i>	That the Governor and General Assembly enact legislation and provide budget support, in the amount of \$50,000 in FY19 and \$50,000 in FY20, to establish a Veteran Entrepreneur Capital Resources Program.
JLC 2018-04 <i>Income Tax Subtraction for Certain Low-Income 100% Disabled Veterans</i>	That the Governor and General Assembly approve an individual income tax subtraction for 100% service-connected disabled veterans with a federally adjusted gross income, not exceeding 250% of the federal poverty level for a four-person household, who have not already claimed another exemption.
JLC 2018-05 <i>Removing Combat Requirement for VMSDEP</i>	That the Governor and General Assembly remove the requirement that a veteran's disability rating be combat related. Instead, a permanent service-connected disability rating of at least 90%, plus satisfaction of the other requirements currently in the Code, would qualify a veteran's spouse or child for VMSDEP benefits.
JLC 2018-06 <i>Increase State Tax Subtraction for National Guard to \$5,000</i>	That the Governor and General Assembly increase the state income tax subtraction level for members of the Virginia National Guard from \$3,000 to \$5,000 per year.
JLC 2018-07 <i>In-state Tuition Eligibility for members of the Guard and Reserve Components</i>	That the Governor and the General Assembly change the eligibility for in-state tuition to include all members of the Virginia National Guard and the Reserve components, thus recognizing their service to the Commonwealth and treating them equally to the active components and veterans.
JLC 2018-08 <i>State Tax Exemption for Military Retiree Income</i>	That the Governor and General Assembly support changes to the current Virginia tax laws for a phased in system to eventually eliminate state tax on military retirement income.



COMMONWEALTH OF VIRGINIA JOINT LEADERSHIP COUNCIL OF VETERANS SERVICE ORGANIZATIONS

101 N. 14TH ST., 17TH FLOOR
RICHMOND, VA 23219
Air Force Association
American Legion
AMVETS
Association of the United States Army
Disabled American Veterans
Fifth Baptist Veterans Ministry
Fleet Reserve Association
Iraq & Afghanistan Veterans of America
Korean War Veterans Association
Legion of Valor of the U.S., Inc.
Marine Corps League
Military Order of the Purple Heart
Military Officers Association of America
Military Order of the World Wars
National Association for Uniformed Services
Navy Mutual Aid Association
Navy Seabee Veterans of America
Non-Commissioned Officers Association
Paralyzed Veterans of America
Reserve Officers Association
Roanoke Valley Veterans Council
Veterans of Foreign Wars
Vietnam Veterans of America
Virginia Army/Air National Guard Enlisted Association
Virginia National Guard Association
Women Marines Association

Sept. 6, 2017

JLC Contact
Marine Corps League
John Clickener
804-443-9226
Click03@verizon.net

Position Paper 2018-01 **Residency Requirement for Surviving Spouses of 100% Disabled Veterans** **Constitutional Amendment, 2nd Resolution**

OBJECTIVE: Provides that the real property tax exemption for the principal residence of surviving spouses of 100% disabled veterans applies without restriction on moving to a different principal place of residence.

BACKGROUND:

- The 2009 General Assembly passed HJ648 and SJ275, beginning the process amending Virginia's Constitution to require localities to grant real estate exemptions for 100% disabled veterans. The 2010 General Assembly passed the second resolutions HJ33/HB149 and SJ13/SB31.
- That amendment does not allow surviving spouses of 100% disabled veterans to move after the death of the veteran and retain the property tax exemption.
- In 2013 and 2014 there was a second constitutional amendment process (HJ551 and HJ8) for surviving spouses of military Killed in Action. This amendment allows surviving spouses to move within Virginia and retain the property tax exemption.

DISCUSSION:

- There has been confusion in the localities in distinguishing between the two provisions and in several instances surviving spouses of 100% disabled veterans have been given incorrect information.
- The Commissioner of the Department of Veterans Services (DVS) has had several requests for appeal of Commissioners of the Revenue denial of application due to the fact that the surviving spouse of a 100% disabled veteran has moved. Despite incorrect information given by a locality, the DVS Commissioner must rule in favor of the Commissioner of the Revenue's denial of application based on the Constitution.
- In 2017, Delegate Jason Miyares patroned HJ562, seeking to rectify the situation and bring the residency requirements for surviving spouses of 100% disabled veterans in line with those of surviving spouses of KIA.
- The JLC had policy papers in support of HJ33/HB149 and SJ13/SB31 in 2010, and HJ8 in 2014.

RECOMMENDATION: That the 2018 General Assembly pass resolutions identical to the one passed by the 2017 General Assembly (HJ562), thereby continuing the process to amend Virginia's Constitution to provide parity for surviving spouses of 100% disabled veterans and those Killed in Action.



COMMONWEALTH OF VIRGINIA JOINT LEADERSHIP COUNCIL OF VETERANS SERVICE ORGANIZATIONS

101 N. 14TH ST, 17TH FLOOR
RICHMOND VA 23219

*Air Force Association
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*Association of the United
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Fleet Reserve Association
Iraq & Afghanistan Veterans
of America
Korean War Veterans
Association
Legion of Valor of the
U.S., Inc.
Marine Corps League
Military Order of the
Purple Heart
Military Officers Association
of America
Military Order of the
World Wars
National Association for
Uniformed Services
Navy Mutual Aid Association
Navy Seabee Veterans of
America
Non-Commissioned
Officers Association
Paralyzed Veterans of
America
Reserve Officers Association
Roanoke Valley Veterans
Council
Veterans of Foreign Wars
Vietnam Veterans of America
Virginia Army/Air National
Guard Enlisted
Association
Virginia National Guard
Association
Women Marines Association*

Sept. 6, 2017

JLC Contact
American Legion
Rick Oertel
804-520-2338
Adj.post284@gmail.com

Position Paper 2018-02

Income Tax Subtraction for Certain Low-Income 100% Disabled Veterans

OBJECTIVE: To allow individual income tax subtraction for the amount of annual retirement compensation received service as a member of the U.S. Armed Forces, or the Virginia National Guard, for 100% service-connected disabled veterans with a federally adjusted gross income not exceeding 250% of the federal poverty level for a four-person household. No subtraction would be permitted if another Virginia subtraction or deduction for such service has been claimed.

BACKGROUND:

- Virginia currently allows qualifying taxpayers to claim a subtraction for up to \$20,000 of disability income, any disabled veterans who already claim this subtraction would not qualify for the new program, or would have to drop this subtraction and claim the new one.
- 14 states with an income tax exempt military retirement pay. Virginia's neighbors:
 - D.C. and Maryland offer exemptions ranging from \$3,000 to \$5,000.
 - North Carolina offers a full exemption for retirees with five years of service as of August 12, 1989; otherwise, retirees may claim a deduction of up to \$4,000.
 - Kentucky offers exemptions of \$41,110 and West Virginia \$20,000.

DISCUSSION:

- While Combat-Related Special Compensation (CRSC) is not subject to federal or Virginia taxation, Concurrent Retirement and Disability Payments (CRDP) are generally subject to both federal and Virginia taxation.
- Available reports do not provide specific data on the exact number of 100% service-connected disabled veterans in Virginia, or amount of CRDP paid to veterans with a VA rating of 100%. However, by using the nationwide percentage as a proxy, a reasonable estimate is there are 5,659 100% disabled Virginia veterans received approximately \$128 million in taxable CRDP income in FFY2014.
- Not all 5,659 veterans would meet the income requirements. By limiting the tax benefit to the veterans at greatest need of assistance, Virginia can maintain fiscal responsibility, while supporting our veterans so they remain in Virginia.
- Department of Taxation considers implementation of this bill as routine, and does not require additional funding.

RECOMMENDATION: That the Governor and General Assembly approve an individual income tax subtraction for 100% service-connected disabled veterans with a federally adjusted gross income, not exceeding 250% of the federal poverty level for a four-person household, who have not already claimed another exemption.



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Association

Virginia National Guard
Association

Women Marines Association

Sept. 6, 2017

JLC Contacts

Robert Huffman

804-586-8874

rhuffman22@gmail.com

Adam Provost

845-220-7410

Adam.c.provost@gmail.com

Position Paper 2018-03

Increase State Tax Subtraction for National Guard to \$5,000

OBJECTIVE: Increase the state tax subtraction for members of the Virginia National Guard from \$3,000 to \$5,000 per year.

BACKGROUND:

1. The Code of Virginia, §58.1-322(C)(11) provides for a subtraction of “*The wages or salaries received by any person for active and inactive service in the National Guard of the Commonwealth of Virginia, not to exceed the amount of income derived from 39 calendar days of such service or \$3,000, whichever amount is less; however, only those persons in the ranks of O3 and below shall be entitled to the deductions specified herein.*”
2. The subtraction level has remained at \$3,000 since at least 1994.
3. This is a joint initiative of the Virginia National Guard Association (VANG) and the Virginia Army/Air National Guard Enlisted Association (VAANGA).

DISCUSSION:

- a. Soldiers and Airmen of the Virginia National Guard endure higher level of stressors in their service to the Commonwealth than do many citizens.
- b. Economic factors place additional stressors on Guardsmen and their families.
- c. Virginia Guardsmen work many hours in the performance of their Guard duties, making sacrifices of time, money, and family togetherness.
- d. To have the same buying power as \$3,000 did in 1994, the tax subtraction would have to be increased to \$4,875.57 in 2016
(source: http://www.bls.gov/data/inflation_calculator.htm).
- e. Increasing the state income tax subtraction from \$3,000 to \$5,000 would help balance and compensate for financial shortfalls incurred through Guard service and the necessity to balance their civilian jobs, family life, and service as a citizen-soldier.

RECOMMENDATION: That the Governor and General Assembly increase the state income tax subtraction level for members of the Virginia National Guard from \$3,000 to \$5,000 per year.



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*Virginia National Guard
Association*

Women Marines Association

Sept. 6, 2017

JLC Contact

VA National Guard Assn

Mike Anliker

804-519-1986

mike@anlikercpa.com

Position Paper 2018-04

In-state Tuition Eligibility for members of the Reserve Components

OBJECTIVE: Provide in-state tuition eligibility at public colleges and universities for all members of the Guard and Reserve components of the Armed Forces.

BACKGROUND:

1. Members of the Virginia National Guard and Armed Forces Reserve stationed and domiciled in Virginia, but with residency in another state, are not currently eligible for in-state tuition if they have not resided in Virginia for at least one-year.
2. Enlisting in the Virginia National Guard or Reserves is generally a six-year commitment to train, drill, and have their duty location in Virginia.
3. There is a growing reliance, both at the federal and state level, on the National Guard. During 2016 alone, the Virginia National Guard mobilized onto federal active duty more than 2,100 Soldiers and Airmen; one of our heaviest years supporting the global war on terrorism in 15 years.
4. Since September 11, 2001 over 15,000 Virginia Guardsmen have been mobilized for federal duty (providing them with the requisite 180 days of federal active duty) and over 8,000 Virginia Guardsmen have been called to state active duty supporting the Commonwealth during periods of emergency (which does not count toward their 180 days of federal active duty).

DISCUSSION:

1. The Commonwealth provides in-state tuition to active duty soldiers, activated (full-time) Reservists and Guardsmen on long term orders, veterans and dependents of active duty soldiers on orders are granted in-state tuition rates.
2. The requested legislation expands in-state tuition to all members of the Virginia National Guard and Reserve components who reside in Virginia, but who are currently required to meet the same residency guidelines as non-military persons.
3. The six-year commitment, along with their physical domiciliary presence within the Commonwealth, justifies immediate eligibility. Virginia National Guard potentially serve our country overseas for 12 months or longer and are called up to serve the Commonwealth in natural and other disasters.
4. Virginia is at a disadvantage in attracting talent, compared to our neighbor states:
 - a. North Carolina, West Virginia and Tennessee offer in-state tuition rates to ALL National Guard members.
 - b. 18 States pay 100% of their Guardsmen public schools tuition rates.
5. This legislation will further bolster Governor McAuliffe's primary initiatives to "make Virginia the most military and veteran friendly state in the nation."

RECOMMENDATIONS: That the Governor and the General Assembly change the eligibility for in-state tuition to include all members of the Virginia National Guard and the Reserve components, thus recognizing their service to the Commonwealth and treating them equally to the active components and veterans.



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Virginia National Guard

Association

Women Marines Association

Sept. 6, 2017

JLC Contact

Fleet Reserve Assn.

William Ashton

540-455-9343

wbashton@cox.net

Position Paper 2018-05

Virginia Military Survivors and Dependents Education Program

2. **OBJECTIVE:** To change eligibility for higher education benefits under the Virginia Military Survivors and Dependents Education Program (VMSDEP).
3. **BACKGROUND:**
 - a. The VMSDEP, formally known as the War Orphans Education Program, provides education benefits to spouses and children of military service members killed, missing in action, taken prisoner, or who became at least 90 percent disabled as a result of military service in an armed conflict.
 - b. Military service includes service in the United States Armed Forces, United States Armed Forces Reserves, and the Virginia National Guard.
 - c. Armed conflict includes military operations against terrorism or as the result of a terrorist act, a peace-keeping mission, or any armed conflict after Dec. 6, 1941.
 - d. Under VMSDEP, tuition and required fees are waived at Virginia public colleges and universities.
 - e. Students may also receive a stipend of up to \$1,800 per year toward the cost of room, board, books, and supplies. The amount of the stipend is dependent on the amount of funding appropriated (\$1,930,000 in FY16), the number of enrolled students, and their enrollment status.
 - f. Benefits are available for up to four years or the equivalent.
4. **DISCUSSION:**
 - a. Under current law, the veteran's 90% disability rating must have incurred during military operations against terrorism, on a peacekeeping mission, as a result of a terrorist act, or in any armed conflict.
 - b. In 2015, DVS denied 502 applicants due to the combat requirement.
 - c. The 2016 FIS for SB528 estimated the proposed legislation would result in a system-wide loss of tuition revenue of \$2,182,454 in FY17 and \$2,520,734 in FY18.
 - d. This is a potentially significant fiscal impact on higher education institutions, and additional general fund support may need to be appropriated to offset this loss of revenue. Evaluation may show whether funding from other programs such as the Virginia Tuition Assistance Grant Program and the Virginia Community College Tuition Grant for Foster Care could potentially offset the increased cost to VMSDEP.
5. **RECOMMENDATION:** That the Governor and General Assembly remove the requirement that a veteran's disability rating be combat related and within an armed conflict. Instead, a permanent, service-connected disability rating of at least 90%, plus satisfaction of the other requirements currently in the Code, would qualify a veteran's spouse or child for VMSDEP benefits.



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Virginia National Guard
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Women Marines Association*

Sept. 6, 2017

JLC Contact

MOAA

Frank Wickersham
540-351-0665
fgwickersham@vsecorp.com

Position Paper 2018-06

Electronic Return of Voted Ballots by Overseas Military

6. **OBJECTIVE:** Enfranchise Virginia's Overseas Uniformed Service Personnel's votes by enacting Electronic Return of Voted Absentee Ballots by encrypted means.
7. **BACKGROUND:**
 - a. Currently an overseas voter can electronically register and receive an absentee ballot per the Uniformed & Overseas Absentee Voter Act (UOCAVA). By current Virginia Code the ballot must be returned via "snail" mail.
 - b. It is a fact that mail from overseas is subject to significant delays resulting in the untimely return of "snail" mail and many votes not counting due to ballots reaching local registrars after Election Day, if at all.
 - c. For the general elections from 2010-2014, 5,050 ballots were requested by overseas deployed Virginia service members. Of those, 2,231 (44%) ballots were returned by mail or in person in time to be counted, 134, ballots were rejected and not counted, and 2,675 (53%) were not returned.
 - d. As of 2015, a reliable statistical model estimates Virginia service members serving overseas includes **9,760** personnel eligible to vote.
 - e. *Everyone Counts* a U.S. founded and owned encrypted voting software company has provided a Rough Order of Magnitude Cost Projection to install a secure pilot test program statewide for \$400,000. The company's software is platform independent and encrypted to secure the integrity of the submitted ballots.
 - f. The state of Alabama approved and used this company for a successful pilot program for their March 1, 2016 Presidential primary.
8. **DISCUSSION:**
 - a. The State Board of Elections has expressed confidence in developing procedures to address privacy and security concerns related to the electronic transmission, management and counting of absentee ballots.
 - b. FBI Director, James Comey, is on the record, "I love strong encryption. It protects us in so many ways from bad people, it takes us to a place [of] absolute privacy..."
 - c. According to NCSL on July 27, 2015, and reported in the SBE SB11 Working Report, **"Building a Secure Electronic Return of Marked Ballots Solution for our Overseas Military Voters"**: "Two states provide an internet portal for the return of marked ballots, while 27 states provide for e-mail return of marked ballots and 31 provide for fax return of marked ballots."
 - d. General Assembly approval of a pilot installation in 2017 is required to permit electronic return of the voted ballot from uniformed military personnel serving overseas.
9. **RECOMMENDATION:** That the Governor and General Assembly enact legislation and provide budget support of a pilot program for the electronic return of absentee ballots by Virginia's deployed military service members to enfranchise their voting privileges.



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JLC Contact
TBD

Position Paper 2018-XX Veteran Entrepreneurship Program

OBJECTIVE: To establish a dedicated program within the Department of Veterans Services (DVS) to assist Virginia veteran entrepreneurs.

BACKGROUND:

1. Entrepreneurship is the “third leg of the stool,” and a key part of implementing the Secretary’s and Governor’s vision for DVS 2.0 and Virginia veterans participating in the New Virginia Economy.
2. The Board of Veterans Services’ Veteran Entrepreneurship Work Group has been diligently researching this issue for a year. They worked with universities and held a public forum on entrepreneurship at George Mason University.
3. Their conclusion is there is not a lack of resources, but the lack of strategic coordination between various elements of the entrepreneurial ecosystems to cultivate and support successful veteran-owned businesses. The key is addressing entrepreneurial ecosystem development and increasing access to professional business mentorship and trained staff to connect veterans to those educational and financial resources.
4. It is their recommendation that DVS create positions within VETE to connect veterans to the programs and opportunities already in place through state, federal, nonprofit and other organizations.

DISCUSSION:

1. The recommendation is for 1 position: A Director of Veteran Entrepreneurship,
 - a. building strategic partnerships with state, federal, nonprofit and other organizations and agencies working with, or providing resources to, veterans.
 - b. cross-collaboration and referrals with sister DVS programs, especially VTAP, to build a solid internal and external structure increasing opportunities and resources for veterans to pursue entrepreneurship in Virginia and create successful, sustainable businesses,
 - c. designing and facilitating workshops, roundtables and forums, and
 - d. collecting relevant data, maintaining a resource database.
2. Director will also guide individual veterans through an assessment process, and then connect veterans to strategic partners for the educational, financial and networking services that they need.
3. This position will be akin to the Director of Housing Development (Matt Leslie) in pulling together resources to create focused attention for veterans.

RECOMMENDATION:

That the Governor and General Assembly provide 1 FTE and budget support, in the amount of \$119,871 in FY19 and in FY20 for a Director of Veteran Entrepreneurship.



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Virginia National Guard Association
Women Marines Association

Sept. 6, 2017

JLC Contact

MOAA

Frank Wickersham

540-351-0665

fgwickersham@vsecorp.com

Position Paper 2018-XX Veteran Entrepreneur Capital Resources Program (VECRP)

OBJECTIVE: To establish a source of funding through the Commonwealth of Virginia available solely to Veteran entrepreneurs establishing business ventures based in Virginia.

BACKGROUND:

5. Current programs, such as Bunker Labs, Capital Post, the Arsenal and the U.S. Small Business Administration's (SBA) Boots to Business program, are focused on training, assistance and mentorship aspects of Veterans entrepreneurship.
6. However, there is a lack direct start-up capital for Veteran entrepreneurs, which can be an impediment for Veterans in obtaining necessary capital by traditional methods. Banks are often unwilling to give small business loans to veterans with no commercial track record of business success, a scarcity of business contacts, and military-to-civilian transition financial difficulties.
7. The Virginia Small Business Financing Authority (VSBFA) is the Commonwealth of Virginia's business and economic development financing arm. Aligned within Virginia's Department of Small Business and Supplier Diversity (VSBSD), the VSBFA offers programs to provide businesses, not-for-profits, and economic development authorities with the financing needed for economic growth and expansion throughout the Commonwealth.

DISCUSSION:

1. SBA, VSBFA, and VSBDC programs providing capital assistance through loan guarantee programs could all be leveraged for risk mitigation of loans to Veteran entrepreneurs through the proposed VECRP.
2. The VECRP would provide microloans to help Veteran entrepreneurs gain access to needed resources and put them on a more equal footing with civilian entrepreneurs. The amount of the loans would be subject to the number of applicants and funds available.
3. Veterans would be subject to current interest rates and all federal and state banking and lending laws. They would have 48 months to repay the microloan.
4. VECRP would be administered by the VSBFA, in coordination with the Virginia Small Business Development Center Network.
5. In addition to General Funds, the program would be financially supported by the private sector and the participating organizations of the Joint Legislative Council of Veterans Service Organizations (JLC).

RECOMMENDATION:

That the Governor and General Assembly enact legislation and provide budget support, in the amount of \$50,000 in FY19 and \$50,000 in FY20, to establish a Veteran Entrepreneur Capital Resources Program.



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Proposed Initiative **Phased Approach of exemption of state tax on Military Retirement Pay**

1. **Objective:** To change the Virginia state tax law to exempt a portion of military retirement pay and a phased approach to eliminate the tax beginning after December 31, 2017.

2. Background:

Currently Virginia state tax laws do not exempt military retirement pay.

3. Discussion:

Over half of the states either exempt tax on military retirement pay or exempt a portion of their military retirement pay (see attachment). Virginia's bordering states, NC, WV, and MD all have some sort of exemption on military retirement pay for state taxes.

If a military retiree or the spouse of a military retiree receives military retirement income, they will be allowed to subtract up to \$5,000 for each tax year, with an increase to the first \$10,000 for individuals who are at least 65 years old on the last day of the taxable year, of their military retirement income from federal adjusted gross income before determining Virginia tax. The retirement income must have been received as a result of any of the following military service:

- Induction into the U.S. Armed forces for training and service under the Selective Training and Service Act of 1940 or a subsequent Act of similar nature
- Membership in a reserve component of the U.S. armed forces
- Membership in an active component of the U.S. armed forces
- Membership in the Virginia National Guard

The benefit also applies to persons separated from active duty employment with the commissioned corps of the Public Health Service, the National Oceanic and Atmospheric Administration, or the Coast and Geodetic Survey.

THE PHASED APPROACH TO ELIMINATE VIRGINIA TAX ON MILITARY RETIREMENT PAY:

- THE GREATER OF \$5,000 OR 25% OF THE MILITARY RETIREMENT INCOME RECEIVED BY AN INDIVIDUAL DURING A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2017, BUT BEFORE December 31, 2018;
- 50% OF THE MILITARY RETIREMENT INCOME RECEIVED BY AN INDIVIDUAL DURING A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2018, BUT BEFORE December 31, 2019;
- 75% OF THE MILITARY RETIREMENT INCOME RECEIVED BY AN INDIVIDUAL DURING A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2019, BUT BEFORE December 31, 2020; AND
- ALL military retirement income received by an individual during the taxable year BEGINNING AFTER DECEMBER 31, 2021.

4. Recommendation:

1. That the Governor and General Assembly should change the current Virginia tax laws to the phased approach, eventually eliminating the state tax on military retirement pay.